

§ 358.12

§ 358.12 Separate maintenance of accounts.

CUBES and BECCS accounts will be maintained separately from accounts maintained in Treasury's STRIPS (Separate Trading of Registered Interest and Principal of Securities) program.

§ 358.13 Processing against master accounts.

The depository institution agrees that all charges associated with its CUBES and BECCS accounts, including the conversion fee, will be processed against its master account on the books of a Federal Reserve Bank.

§ 358.14 Program prohibitions.

Once detached bearer coupons and bearer corpora have been converted to book-entry form, reconversion to physical form is prohibited. The reconstitution of a BECCS security with CUBES securities or any combination of Treasury obligations is prohibited.

§ 358.15 Authority of Federal Reserve Banks.

The Federal Reserve Bank of New York is hereby authorized as fiscal agent of the United States to perform functions with respect to this part.

§ 358.16 Limitation of liability.

Except as otherwise provided by regulation, circular, or written agreement, the Federal Reserve Bank of New York shall be liable in connection with any action taken or omission by it only for its failure to exercise ordinary care. In no event shall the Federal Reserve Bank of New York or the Department have or assume any responsibility to any party except the sending and receiving depository institutions involved in a CUBES or BECCS transaction. In no event shall the Federal Reserve Bank of New York or the Department assume any responsibility, in connection with a CUBES or BECCS transaction, for the insolvency, neglect, misconduct, mistake or default of another bank or person, including the immediate participants.

§ 358.17 Indemnification.

The submitting depository institution shall indemnify the United States

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against any loss which may occur as a result of the conversion of a bearer corpus missing one or more associated callable coupons.

§ 358.18 Waiver of regulations.

The Secretary of the Treasury reserves the right, in the Secretary's discretion, to waive or modify any provision(s) of these regulations in any particular case or class of cases for the convenience of the United States or in order to relieve any person(s) of unnecessary hardship, if such action is not inconsistent with law, does not impair any existing rights, and the Secretary is satisfied that such action will not subject the United States to any substantial expense or liability.

§ 358.19 Supplements, amendments or revisions.

The Secretary may, at any time, prescribe additional supplemental, amendatory or revised regulations with respect to CUBES and BECCS.

PART 359—OFFERING OF UNITED STATES SAVINGS BONDS, SERIES I

Sec.

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AUTHORITY: 5 U.S.C. 301; 12 U.S.C. 391; 31 U.S.C. 3105.

SOURCE: 63 FR 38044, July 14, 1998, unless otherwise noted.

§ 359.0 Offering of bonds.

The Secretary of the Treasury offers for sale to the people of the United States, United States Savings Bonds of Series I, hereinafter referred to as Series I bonds or bonds. This offer, effective September 1, 1998, will continue